

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Civil No. 1:19CV959
)	
v.)	
)	
LYNTON YATES BALLENTINE,)	
JAMES RONALD PEGGS,)	
)	
and)	
)	
JEFF L. THIGPEN, in his capacity as)	
GUILFORD COUNTY)	
REGISTER OF DEEDS)	
)	
Defendants.)	

**COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF
CONCERNING FRAUDULENT LIEN DOCUMENTS**

The United States of America, for itself, its officers, agents, and employees, by and through Matthew G.T. Martin, United States Attorney for the Middle District of North Carolina, complaining of Defendants, alleges as follows:

INTRODUCTION

1. This suit concerns a purported lien filed in the Guilford County, North Carolina records in the amount of \$25,000,000 against Nathan L. Strup, Assistant United States Attorney (AUSA), Middle District of North Carolina. This suit seeks a declaration that the filed lien and related documents are invalid and do not create any security interest

or evidence any debt or other obligation, an order directing the Guilford County Register of Deeds to expunge the documents from the records, and a prohibition of further fraudulent filings by Defendant Lynton Yates Ballentine and Defendant James Ronald Peggs.

PARTIES

2. Plaintiff is the United States of America acting on its own behalf and in the interest of AUSA Nathan L. Strup.

3. Defendant Lynton Yates Ballentine is named as the “Creditor in fact” in the so-called “Commercial Affidavit of Notice and Obligation” form, attached as Government Exhibit (GE) A, about which this suit is concerned. (See GE A, hereinafter “Commercial Affidavit”, ¶ 9.) Defendant Lynton Yates Ballentine is an individual who is a plaintiff in a related case pending in this court, Ballentine, Jr. et al. v. Wells Fargo Bank, National Association et al., 1:19CV589. Defendant Lynton Yates Ballentine is a resident of Winston-Salem, North Carolina.

4. Defendant James Ronald Peggs is the named “Secured Party Creditor, American National and Executive trustee of LB International Trust” on the so-called “Commercial Affidavit” form attached hereto as GE A. Defendant James Ronald Peggs is a resident of Greensboro, North Carolina.

5. Defendant Jeff L. Thigpen, Guilford County, North Carolina, Register of Deeds, is sued in his official capacity only. The Guilford County Register of Deeds is

located at 201 West Market Street, Greensboro, NC 27401. The mailing address is: Guilford County Register of Deeds, P.O. Box 3427, Greensboro, NC 27402. The Guilford County Register of Deeds is named in this action in his official capacity in order to provide his office the lawful direction and authority to segregate, remove and expunge the false and fraudulent financing statements/documents that were caused to be filed on behalf of the purported secured party/creditors, Defendant Lynton Yates Ballentine and Defendant James Ronald Peggs.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1345 (United States as Plaintiff).

7. Venue is appropriate in this court pursuant to 28 U.S.C. § 1391(b) because Defendants Lynton Yates Ballentine and James Ronald Peggs reside within the district and a substantial part of the events giving rise to the suit occurred within this district.

8. This Court is authorized to issue the requested Declaratory and Injunctive Relief pursuant to 28 U.S.C. § 2201, Fed. R. Civ. P. 65, and 28 U.S.C. § 1651.

FACTUAL ALLEGATIONS

Defendant Lynton Yates Ballentine's Underlying Lawsuit

9. On June 3, 2019, Lynton Yates Ballentine and LB International Express Trust brought an action in the North Carolina General Court of Justice, Forsyth County

Superior Court, against Wells Fargo Bank, NA, Ginnie Mae as Trustee for Securitized Trust Guaranteed Remic Pass-Through Securities 2006-040 Trust, Champion Mortgage Company, Shapiro and Ingle, LLP, Satterfield Legal, PLLC and Does 1 Through 100 Inclusive, et al., which appeared to seek a judicial determination regarding the rights to certain Real Property commonly known as 665 Irving Street, Winston-Salem, North Carolina 27103. (See Ballentine, Jr. et al. v. Wells Fargo Bank, National Association et al., 1:19CV589.)

10. AUSA Nathan L. Strup, representing the United States of America and Ginnie Mae as Trustee for Securitized Trust Guaranteed Remic Pass-Through Securities 2006-040 Trust, filed a Notice of Removal of the state court action to the United States District Court for the Middle District of North Carolina on June 12, 2019. (See Ballentine, Jr. et al v. Wells Fargo Bank, National Association et al., 1:19CV589, Dkt. 2.)

The Fraudulent Documents

11. On June 26, 2019, a document purporting to establish a debt in the amount of \$25,000,000 owed to Defendant Lynton Yates Ballentine by AUSA Strup was filed by Defendant James Ronald Peggs with the Guilford County Register of Deeds. (See GE A.)

12. The Guilford County Register of Deeds filed the document and assigned it filing number BK: R 8168 PG: 138-143. (See GE A.)

13. The document purports to be signed by James Ronald Peggs. (See GE A.)

14. The document does not evidence any debt or other obligation legally owed by AUSA Strup or the United States. AUSA Strup has had no personal financial or commercial dealings with Defendants Lynton Yates Ballentine and/or James Ronald Peggs. Indeed, the only dealings of any kind AUSA Strup has had with Defendants Lynton Yates Ballentine and James Ronald Peggs are in connection with Defendant Lynton Yates Ballentine's civil matter, and a similar adversary proceeding filed by Defendant Lynton Yates Ballentine in a bankruptcy case that has since been dismissed by the United States Bankruptcy Court for the Middle District of North Carolina.¹ (See GE B, Declaration of AUSA Nathan L. Strup.)

15. The fraudulent filing and document is the result of, or in response to, the performance of lawful duties by AUSA Strup in the course and scope of his official duties as an Assistant United States Attorney.

16. The purported Commercial Affidavit besmirches the public record concerning AUSA Strup, thereby causing harm to him personally and professionally.

17. The purported Commercial Affidavit impinges upon the judicial process and the United States by frustrating the ability of United States' officials to perform their

¹ Both the adversary proceeding and the main bankruptcy case were dismissed by the United States Bankruptcy Court for the Middle District of North Carolina--the latter with a 180-day bar to re-filing--two months before Defendant Lynton Yates Ballentine filed Ballentine, Jr. et al v. Wells Fargo Bank, National Association et al. in state court. (See Ballentine v. Nationstar Mortgage, LLC, et al., Adv. Proc. No. 18-06030, Dkt. 67; In re Lyndon Yates Ballentine, Ch. 13 Bankr. No. 18-50581, Dkt. 78 (Bankr. M.D.N.C.).)

official duties free from the distraction, harassment, and harm caused by bogus liens filed against them, and by requiring the devotion of resources to addressing fraudulent filings that could otherwise be spent addressing disputes arising between proper litigants in the courts.

18. By causing the filing of the fraudulent document, Defendants Lynton Yates Ballentine and James Ronald Peggs have demonstrated an unwillingness to comply with the dictates of law. Indeed they have now demonstrated their willingness to harass public officials for the performance of their official duties.

19. Defendant James Ronald Peggs has previously been sanctioned by the Court for “repeatedly fil[ing] vexatious and frivolous pleadings . . . wasting the Court’s time and abusing the judicial process.” North Carolina v. Peggs, 1:11CR331, Dkt. 12, p.2)(and summarizing James Ronald Peggs’ “history of frivolous and vexatious litigation in this Court”, id., pp.2-3.)

Defendant Register of Deeds

20. Absent a Court Order, the Guilford County, North Carolina, Register of Deeds does not have a basis for expunging fraudulent documents, such as those at issue in this suit, from the records.

21. The Guilford County Register of Deeds should not be required to maintain as publicly available records to be indexed and searched documents which are fraudulent or otherwise bogus, such as the ones at issues in this suit.

22. Permitting the fraudulent or otherwise bogus documents to remain on record unfairly burdens AUSA Strup, the Guilford County Register of Deeds, the United States, and the parties to any commercial or other transaction in which the existence or validity of the documents must be addressed.

23. The affected parties should not be required to address fraudulent or otherwise bogus records, documents, or purported liens in any circumstance in which a search of the public records would reveal them.

24. An Order directing the Guilford County Register of Deeds to expunge the bogus and fraudulent documents at issue in this suit is appropriate and warranted.

WHEREFORE, the United States of America respectfully requests the Court to:

1. Declare that the document in question, attached as GE A lacks the requisites for effectiveness, is void *ab initio*, and does not evidence any debt or other obligation owed to Defendants Lynton Yates Ballentine and/or James Ronald Peggs.

2. Order the Guilford County Register of Deeds to segregate, remove, and expunge from the public records the document filed under filing number BK: R 8168 PG: 138-143.

3. Enjoin Defendants Lynton Yates Ballentine and James Ronald Peggs from filing or causing the filing in any public records system any lien, security, or any other financing type documents against AUSA Strup or any other individual known to be a

federal official absent the official's specific, genuine assent thereto, or prior written permission of this Court permitting and directing the filing.

4. Enjoin Defendant Thigpen from accepting for filing or causing the filing in any public records system any lien, security, or any other financing type documents from Defendants Lynton Yates Ballentine and/or James Ronald Peggs against AUSA Strup or any other individual known to be a federal official absent the official's specific, genuine assent thereto, or prior written permission of this Court permitting and directing the filing.

5. Order the Guilford County Register of Deeds to segregate, remove, and expunge from the public records any filings that it may have accepted without a court order that may subsequently be discovered as filed by Defendants Lynton Yates Ballentine or James Ronald Peggs against AUSA Strup or any other individual known to be a federal official that were filed absent the official's specific, genuine assent thereto, or prior written permission of this Court permitting and directing the filing.

6. Award plaintiff such other and further relief as is warranted in this action.

Respectfully submitted this 18th day of September, 2019.

MATTHEW G.T. MARTIN
United States Attorney

/s/ Lynne P. Klauer
Assistant United States Attorney
NCSB #13815
United States Attorney's Office
101 South Edgeworth Street, 4th Floor
Greensboro, NC 27401
336/333-5351
Lynne.Klauer@usdoj.gov

BK: R 8168

PG: 138-143

RECORDED:

06-26-2019

02:14:00 PM

BY: KATHLEEN TALLEY

DEPUTY-GB



2019032865

GUILFORD COUNTY, NC

JEFF L. THIGPEN

REGISTER OF DEEDS

NC FEE \$26.00

PU:

James Ronald Peggs
c/o 5603B West Friendly Avenue
Suite 124
Greensboro, North Carolina
Without the Republic

Lok

Issued with 1099OID

*A Security (15 USC) CLAIM OF
COMMERCIAL LIEN AND
AFFIDAVIT
A USSEC Tracer Flag
Not a point of Law*

Registered Mail RB 195 174 829 US

COMMERCIAL AFFIDAVIT OF NOTICE AND OBLIGATION

County Recorder: State of North Carolina, Guilford County

James Ronald Peggs, Secured Party Creditor, American National and Executive
Trustee of LB International Express Trust.

v.

Nathan L Strup

Db as Assistant U S Attorney Middle District of North Carolina

101 S. Edgeworth Street, 4th Floor

Greensboro, NC 27401

Maxims:

All men and women know that the foundation of law and commerce exists in the
telling of the truth, the whole truth, and nothing but the truth.

Caveat: When an Affidavit is so flagged in Commerce, it becomes a Federal
Document because it could become translated into a Security (i.e. by being
attached in support of a Commercial Lien), and not accepting and/or filing a



Commercial Affidavit Becomes a Federal Offense. Registered Mail # may become the international tracking number.

A SECURITY (15 U.S.C.) COMMERCIAL CLAIM OF COMMON LAW LIEN AND AFFIDAVIT OF OBLIGATION.

(This is a verified plain statement of fact)

To Guarantee Bond on the Specific Performance of the listed Officers of the Court and Title Insurance Companies Connected with this Cause of Action consisting of Court Case 17SP649, Chapter 13 Case 18-50581 and all related cases.

I, James Ronald Peggs, depose and say as follows:

1. The International Court of Justice declared that each individual is responsible and liable for his own action. The Excuse of just following orders or just doing their job is unacceptable. The parties of the Commercial Lien are cited in the following "List of Lien Debtor," under this declaration that the representative cannot shirk liability. Whereas; all claimants involved in reference to "Foreclosure" are in Conspiracy with Shapiro and Ingle who initiated this unconstitutional action.
2. The Respondents were previously noticed and warned by the Affiant's COMMERCIAL AFFIDAVIT OF TRUTH: Forsyth Filing 201803967 90119, BK RE3427, PG 2137-2212 dated 10-01 2018 (and many other documents) to which the Respondents failed or refused to answer/rebut, or to address the demands made in this and many other documents and exhibits . In said Notice...The eternal principles of Commercial Law, the underpinnings of all human law and civilization, were clearly and simply set forth and explained (clarification of contractual terms). The above referenced Respondent Parties failed to avail themselves of the remedies and recourse under Commercial Law to resolve the disputes(s) with this Complainant Affiant in a civil, peaceful and honorable manner.
3. Notices of Foreclosure are routinely "Threats of Force' against civilian population and are therefore acts of "Domestic Terrorism" and violations of the Homeland Security Act.

4. Thus by Acquiescence and Tacit Procuration, all parties involved have agreed to all points in the **COMMERCIAL AFFIDAVIT OF TRUTH** and other documents and exhibits.
5. There is no immunity in commerce. The Bill of Rights was specifically implemented to provide protection against the intrusion of government employees.
6. All parties have agreed to "Unlimited Commercial Liability"
7. All claims of having made a loan are Fraud and Perjury.
8. Nathan L Strup willfully and knowingly filed fraudulent documents and claim into the Federal Bankruptcy Court and has consistently failed to prove the claim.
9. The Creditor in fact is Lynton Yates Ballentine.
10. Whereas Officers of Shapiro and Ingle, their assigns, representatives and agents and Conspirators, including Nathan L Strup, and all attorneys presenting a claim against subject property owned by LB International Express Trust have consistently failed (or refused) to provide form **1099OID** and allow for **recoupment** in Bankruptcy and refused to accept the bonds tendered; therefore all persons associated with the above cited case numbers are repeatedly committing "Sedition against the Bankruptcy of the UNITED STATES", as well as "Failure to honor the right of recoupment and closure, Fraud, Commercial Dishonor, Embezzlement, Racketeering, etc. Nathan L Strup is in Conspiracy to all commercial trespasses listed.
11. Whereas, members of the BAR are Agents of a Foreign Corporation and Foreign Agents are required to register pursuant to the Foreign Agents Registration Act. The Principals, members, agents, assigns and representatives and Conspirators of Shapiro and Ingle have consistently failed or refused to provide their Registration. Nathan L Strup has failed to provide a copy of Registration. Whereas Foreign Agents are defined as "Enemies of the Republic" and have no standing in the court without said registration. "Notice of Appearance" is not an acceptable substitute.

12. Whereas, "Denial or violation of the Constitution is an Act of Treason" See US ARMY FIELD MANUAL FM41.

- a. The **Fifth Amendment** states that the government cannot seize property without just compensation. "The Creditor in Fact" is Lynton Yates Ballentine. Just compensation defined in this case includes return of the wet ink signature Promissory Note and the Monetization of at least ten times; the return of the wet ink signature Deed of Trust and the Monetization of at least twenty times; the return of the bonds issued for settlement and the Monetization of at least ten times. All this is owed to the "Creditor in Fact" Lynton Yates Ballentine.
- b. This Commercial Common Law Lien in no way inhibits Lynton Yates Ballentine from filing separate and additional liens.
- c. The foreclosure claim is brought against the LB International Express Trust. No one has produced a valid contract signed by a member of the Board of Trustees of LB International Express Trust. Without a **contract**, **there is no claim in Commerce**.
- d. **The Fifth and Fourteenth Amendments** include the requirement of "Due Process"; Federal Bankruptcy Judge Aron has ruled that the subject property is owned by LB International Express Trust. An Express Trust is a Common Law Contract, not a CORPORATION and all actions against the LB International Express Trust must be in Common Law. Denial of an Article Three Court equates to Treason. Claimants have been given several opportunities to act in Common Law and have refused. All procedures thus far have been in "**improper Venue and Jurisdiction**" (not a court of competent jurisdiction) and must be considered "Null and Void" and un-Constitutional.
- e. The **Seventh Amendment** guarantees the right of "Trial by Jury" for any contention of 20 dollars or more. The Statutory Administrative Court Officials consistently deny the Seventh Amendment. All Attorneys and Court officials involved in this case are denying the Seventh Amendment.
- f. The **Fourth Amendment** protects against "unreasonable search and seizure." By violation of the Fourth Amendment, the Sheriff of Forsyth County is in Conspiracy and Treason to the Constitution.

13. The notices of Foreclosure indicate a threat of force against civilians and is therefore domestic terrorism. Apparently all foreclosures are in violation of the Homeland Security Act as well as the Fourth Amendment.
14. This Commercial Common Law Lien is commercially necessary to guarantee for both the lien claimant and the public that sufficient bond and surety exist and is not placed for any reason of harassment of persons or processes.
15. The cited Lien Debtors are being lien for minimum of \$25,000,000 (U S Dollars whereas a dollar equals 371.25 grains of silver) based on Conspiracy and numerous violations of provisions of the Uniform Commercial Code, the United States Code; and violations of the United States Constitutional Rights including those cited and approximately 30 other commercial provisions of the United States Constitution.
16. Possible "Mail Fraud for not using the proper mailing address of the LB International Express Trust and sending "Fraudulent" documents through the mail.
17. "23. Therefore the "people" operating in their private capacity, by and through the remedy in the Uniform Commercial Code, pursuant to their collective sovereign capacity, upon injury or damages, may as a matter of right, proceed to utilize the Commercial Law venue against the agents of governments, their creations (corporations) and its officers. (accountability=liability) to arrive at the truth and secure damages by the Commercial Lien process; to create and establish the damages in the form of UCC "money", a security, as asset, and liability supported by the full faith and credit of the United States Federal Government under the Commercial Law and the UCC, America's Federal (and State) Common Law."

This Commercial Common Law Lien is intended to seize all real property of the above cited Lien Debtor; all public hazard bonds, corporate bonds, blanket bonds, insurance policies, CAFR Funds, 401-k(s) retirement funds, personal wealth and properties, or any source of revenue as needs to cure the dishonor in commerce. This property is being seized as a pledge to secure the above cited obligations declared in paragraphs above. To apply it as a bond on the persons and activities of the Officers of the Court, Title Insurance companies,

and other Lien Debtors as may be added from time to time for whatever relevant and just commercial agreement.

This commercial lien is not a *lis pendens* lien. It may not be removed or dissolved by any parties except the Lien Claimants or a Common Law jury properly convened in a Court of International Trade.

Affirmed and respectfully submitted this 24th day of June, 2019.

/s/ James Ronald Peggs, Secured Party Creditor, American National, Executive Trustee of LB International Express Trust.

By executor: James Ronald Peggs

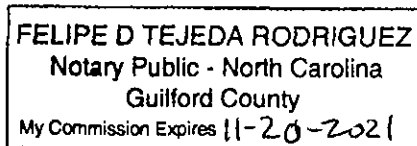
State of North Carolina) ss:
County of Guilford)

James Ronald Peggs, being first duly sworn, says I am the claimant above named; I have read the foregoing claim and know the contents thereof, and believe the same to be just.

Subscribed and sworn to before me this 24th day of June, 2019.

Signed Name Felipe D Tejada Rodriguez
Print Name Felipe D Tejada Rodriguez

Commission Expires: 11-20-2021



LIST OF LIEN DEBTORS:

Lien Debtor

Nathan L Strup

Db a Assistant U S Attorney, Middle District of North Carolina

101 S Edgeworth Street, 4th Floor

Greensboro, NC 27401

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA,)	
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Plaintiff,)	Civil No. 1:19CV589
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v.)	
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LYNTON YATES BALLENTINE,)	
JAMES RONALD PEGGS,)	
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and)	
)	
JEFF L. THIGPEN, in his capacity as)	
GUILFORD COUNTY)	
REGISTER OF DEEDS)	
)	
Defendants.)	

DECLARATION OF NATHAN L. STRUP

I, Nathan L. Strup, pursuant to 28 U.S.C. § 1746, declare as follows:

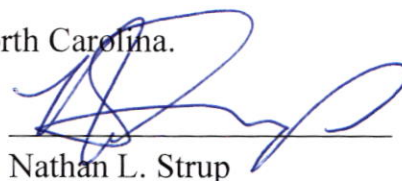
1. I am an Assistant United States Attorney employed by the United States Attorney's Office for the Middle District of North Carolina.
2. I have had no personal financial or commercial dealings with Lynton Yates Ballentine, James Ronald Peggs, or LB International Express Trust.
3. In 2019, I represented the United States of America, including Government National Mortgage Association (commonly referred to as "Ginnie Mae") in an adversary proceeding brought by Lynton Yates Ballentine against Ginnie Mae and other parties, and concerning certain real property at which Mr. Ballentine apparently resided. See Ballentine v. Nationstar Mortgage, LLC, et al., Adv. Proc. No. 18-06030 (Bankr. M.D.N.C.). James Ronald Peggs was involved in that proceeding and purported to be acting as a trustee of



LB International Express Trust. After the Bankruptcy Court dismissed the proceeding and Mr. Ballentine's main bankruptcy case (the latter with a 180-day bar to re-filing), I again represented the United States, including Ginnie Mae, in a civil action filed by Mr. Ballentine and LB International Express Trust in North Carolina state court, and subsequently removed to the United States District Court for the Middle District of North Carolina by the United States. See Ballentine, Jr., et al., v. Well Fargo Bank, N.A., et al., Case No. 1:19CV589 (M.D.N.C.).

4. My legal representation of the United States as an Assistant United States Attorney, as described in paragraph 3 above, are the only dealings of any kind I have had with Lynton Yates Ballentine, James Ronald Peggs, or LB International Express Trust.

I declare under penalty of perjury that the foregoing is true and accurate. Executed on this 18th day of September 2019, in Greensboro, North Carolina.



Nathan L. Strup